

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE NOTICE OF PURCHASED)	
GAS ADJUSTMENT FILING OF)	
EAST KENTUCKY UTILITIES,)	CASE NO. 9236-C
INC.)	

O R D E R

On September 30, 1985, the Commission issued its Order in Case No. 9236 approving certain adjustments and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On December 2, 1985, East Kentucky Utilities, Inc., ("East Kentucky") notified the Commission that its wholesale cost of gas would be decreased by its supplier, Kentucky West Virginia Gas Company ("Kentucky West"), effective November 1, 1985, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) East Kentucky's notice of December 2, 1985, set out certain revisions in rates which East Kentucky proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier in the amount of \$21,703 or 10.99 cents per Dth.

(2) Kentucky West has filed an application for decreased rates to become effective November 1, 1985, with the Federal Energy Regulatory Commission.

(3) East Kentucky should report to this Commission any excess revenues collected from November 1, 1985, to the date the proposed rates are implemented, along with a plan to refund any excess collections to its customers.

(4) East Kentucky's adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 9236 dated September 30, 1985, is fair, just and reasonable and in the public interest and should be effective with gas supplied on and after November 1, 1985.

IT IS HEREBY ORDERED that:

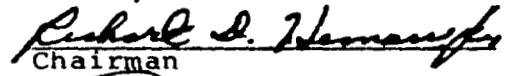
(1) The rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after November 1, 1985.

(2) Within 30 days of the date of this Order East Kentucky shall report to this Commission any excess revenues collected from November 1, 1985, to the date the proposed rates are implemented, along with a plan to refund excess revenues to its customers.

(3) Within 30 days of the date of this Order East Kentucky shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 17th day of December, 1985.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 9236-C DATED 12/17/85

The following rates and charges are prescribed for the customers served by East Kentucky Utilities, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES: Monthly

First 1 Mcf	\$8.2182 Per Mcf
Over 1 Mcf	\$5.1782 Per Mcf

Minimum Bill: \$7.50 for less than 1 Mcf.

The base rate for the future application of the purchased gas adjustment clause of East Kentucky Utilities, Inc., shall be:

	<u>Commodity</u>
Kentucky West Virginia Gas Company	\$2.9496/Dth*
Southeastern Gas Company	\$3.50/Mcf

*Includes \$0.0125 per Dth - Gas Research Institute Funding Charge